

20th
ANNUAL REPORT
2013-14

PASUPATI FINCAP LIMITED

CIN-L65910HR1996PLC033099

Regd. Office: Village Kapriwas (Dharuhera) Distt. Rewari, Haryana

Head Office: 127-128, Tribhuvan Complex, Ishwar Nagar, New Delhi

Correspondence Office: 1501, Nirmal Tower, 26, Barakhamba Road, New Delhi-
110001

Website: www.pasupatifincap.com, Email: ho@pasupatitextiles.com

Tel:- 47632200

Dear Shareholder

Sub: - Go Green Initiative in Corporate Governance: Go Paperless.

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" (Circular No 17/2011 dated 21-4-2011 and Circular No 18/2011 dated 29-4-2011) allowing paperless compliances by companies through electronic mode and same also has been allowed under the New Companies Act, 2013. Companies are now permitted to send various notices / documents to its shareholders through electronic mode to the registered email address of shareholders. This move by the MCA is welcome since it will benefit the society at large through reduction in paper consumption and towards a Greener Environment. It will also ensure prompt receipt of communication, avoid loss in postal transit and helps the larger participation of shareholders in **E-Voting**. Keeping in view the underlying theme and circular issued by MCA and provisions of companies Act, 2013, we are keen to participate in Green Initiative and henceforth propose to send documents like General Meeting Notices (Including AGM), Audited Financial Statements, Directors Report, Auditors Report etc to the shareholders in electronic form, to the e-mail address provided by you and made available to us by Depositories / RTA.

In case you are holding shares in electronic form and have registered your e-mail id with the Depository, we will send all notices / documents etc at that e-mail id. If you desire to have a different e-mail id registered, please update the same with your Depository Participant (DP) or email at rekhasharma@pasuptitextiles.com or ho@pasupatitextiles.com or admin@skylinerta.com specifying your Client ID and DP Id.

All those shareholders who have not yet registered their e mail IDs or holding shares in physical form are requested to register their email IDs with NSDL/ CDSL and **or** our RTA or send their request to register their e- mail id at any one of the following mail ids along with Folio No and No of Shares / Client Id and DP ID:-

1 rekhasharma@pasupatitextiles.com

2 ho@pasupatitextiles.com

3 admin@skylinerta.com

Kindly note that if any shareholders still wish to receive a physical copy of all the above mentioned communications / documents, the company undertakes to provide the same at no extra cost to you, if a request in this connection is received by the company or RTA. Please note that these documents will also be available on the Company's website www.pasupatifincap.com

We look forward for your encouraging support in welcoming the "Green Initiative"

Thanking You,

Yours faithfully

For Pasupati Fincap Ltd

Sd/-

Vidit Jain

Director

PASUPATI FINCAP LTD

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 20TH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD AT THE REGISTERED OFFICE AND WORKS OF THE COMPANY AT VILLAGE KAPRIWAS (DHARUHERA), DISTT. REWARI, HARYANA ON 12TH SEPTEMBER, 2014 AT 10.00 A.M TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited balance sheet as at 31st march 2014 and profit & loss statement for the year ended on that date and the reports of directors and auditors thereon.
2. To appoint director in place of Mrs. Rekha Sharma, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. M.C. Jain & Co, Chartered Accountants (Firm Registration No.304012E), be and is hereby re-appointed as the Auditors of the company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the twenty third AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS

ITEM-4

TO APPOINT MR. ANAND KUMAR AGGARWAL (DIN: 00301001) AS AN INDEPENDENT DIRECTOR AND IN THIS REGARD TO CONSIDER AND IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and **Clause 49 of the Listing Agreement**, Mr. Anand Kumar Aggarwal be and is hereby re-appointed as Independent Director of the company for a period of 5 (Five) consecutive years **with effect** from 12th September, 2014 up to September 11, 2019 (both days inclusive)”

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013
("the Act")**

**THE FOLLOWING STATEMENT SETS OUT ALL MATERIAL FACTS
RELATING TO THE SPECIAL BUSINESS MENTIONED IN THE
ACCOMPANYING NOTICE:**

In compliance with the provisions of section 149 of the Act, and Clause 49 of the listing agreement, the appointment or reappointment of Independent Directors is now being placed before the members for their approval. Keeping in view the legal requirements, the Board of Directors recommends the Resolutions as set out at Item No 4 of the Notice for approval by the shareholders. The Company has also received declarations from the proposed appointee that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board the proposed appointee fulfills the conditions for appointment as Independent Director as specified in the Companies Act, 2013 and the Listing Agreement.

Brief resume of Mr. Anand Kumar Aggarwal, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report. Copy of the draft letter for appointment of Mr. Anand Kumar Aggarwal as Independent Director setting out the terms and conditions are available for inspection by members at the Registered Office of the Company. This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges. A notice u/s 160 of the Companies Act, 2013 has been received from a member proposing Mr. Anand Kumar Aggarwal as a candidate for the office of Independent Director of the Company.

The Board considers that continued association of Mr. Anand Kumar Aggarwal would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Anand Kumar Aggarwal as an Independent Director for the approval by the shareholders of the Company

None of the Directors except Mr. Anand Kumar Aggarwal/Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

REGISTERED OFFICE

Village Kapriwas
(Dharuhera), Distt. Rewari,
HARYANA

DATED: 29-5-2014

**BY ORDER OF THE BOARD
For PASUPATI FINCAP LTD.**

**VIDIT JAIN
DIRECTOR**

NOTES :

1. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorised representative(s) to attend the Annual General Meeting are requested to send certified copy of the Board Resolution authorising such representative (s) to attend and vote on their behalf.
3. The Register of Members and Transfer Books of the Company will be closed from 6th September to 12th September, 2014, both days inclusive.
4. Members who hold shares in de-materialized form are requested to bring their client ID and DP ID numbers for facilitating identification for attendance at the meeting.
5. Copies of relevant documents can be inspected at the Registered Office of the Company on all working days from Monday to Friday during business hours up to date of meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. In terms of Section 72 of the companies Act, 2013, the shareholders of the company may nominate a person on whom the shares held by him/her/them, shall vest in the event of his/her/their death. Shareholders desirous of availing this facility may submit nomination in Form SH-13.
7. Members are requested to update their valid email id with company's RTA or same can be done by sending a email at the company's investors email id:-rekhasharma@pasupatitextiles.com.
8. Members and Proxies are requested to produce the Attendance slip duly signed, at the entrance of the meeting venue.

9. The Ministry of Corporate Affairs(MCA) has vide its circular dated 29-4-2011 stated that service of notice/documents including Annual Report to the members can be made through e -mail. To support this green initiative of MCA, members who have not yet registered their e-mail addresses are requested to do so (i) in respect of the electronic holdings through their concerned depository participants and (ii) in respect of physical holdings to Skyline Financial Services Pvt. Ltd.
10. Members may also note that the Notice of the 34th Annual General Meeting and Annual Report, 2014 will also be available on the Company's website www.pasupatifincap.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered office and New Delhi office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication form , upon making a request for the same, by post free of cost. For any communication, the shareholders may also send request to the Company's investor email id: rekhasharma@pasupatitextiles.com.

In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):

1. Open the e-mail and also open PDF file namely "Fincap e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
2. Open the internet browser and type the following URL:
<https://www.evoting.nsdl.com>.
3. Click on Shareholder - Login.
4. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
5. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
6. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
7. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.

8. Select "EVEN" (E-Voting Event Number) of Pasupati Fincap Ltd. Now you are ready for e-voting as Cast Vote page opens.
9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
10. Upon confirmation, the message "Vote cast successfully" will be displayed.
11. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
12. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to shreyanshpjain@gmail.com with a copy marked to evoting@nsdl.co.in.
13. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of www.evoting.nsdl.com.

B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):

1. Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
2. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.

C. Other Instructions:

1. The e-voting period commences on 6th September, 2014 (9.00 a.m. IST) and ends on 8th September, 2014 (6 P.M). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 1st August, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently.
2. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on 5th August, 2014.
3. Mr. Shreyansh Pratap Jain, Practicing Company Secretary(C.P. No. 9515, Membership No.25359), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
4. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a

Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

5. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Shreyansh Pratap Jain , Practicing Company Secretary, at the Registered Office of the Company not later than 8th August, 2014 (6.00 p.m. IST). Members have the option to request for physical copy of the Ballot Form by sending an e-mail to ho@pasupatitextiles.com by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than 8th August, 2014 (6.00 p.m. IST). Ballot Form received after this date will be treated as invalid.
6. A member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
7. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.pasupatifincap.com and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the nineteenth AGM of the Company on 13th September, 2014 and communicated to the BSE Limited and DSE, where the shares of the Company are listed.

ANNEXURE**PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE, FOLLOWING INFORMATION IS FURNISHED ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED / RE-APPOINTED:**

| | | |
|---|--|---|
| Name of the Director | Mr. Anand Kumar Aggarwal | Mrs. Rekha Sharma |
| Date of Birth | 09-03-1957 | 14-07-1974 |
| Date of Appointment | 18-09-2009 | 22.05.2009 |
| Qualification | Graduate | B.Com, L.LB, FCS |
| Expertise in specific functional areas | Business | Company Secretary having experience of 14 years |
| Remuneration | NIL | NIL |
| Name of the Companies in which she/he holds Directorship | Jaya Impex Pvt Ltd Paramveer Distributors Pvt Ltd Avanti Vyapaar Pvt Ltd Ora Properties Pvt Ltd | Nil |
| Name of the Committees of the Companies of which she holds Membership/ Chairmanship | Nil | Nil |
| Number of shares held in the Company | Nil | NIL |

PASUPATI FINCAP IMITED

DIRECTORS REPORT AND MANAGEMENT DISCUSSIONS & ANALYSIS

Dear Shareholders,

Your Directors are pleased to present the Annual Report and the Audited Accounts of the Company for the year ended March 31, 2014.

| FINANCIAL RESULTS | (Rs.) |
|--|-----------------------|
| Profit / Loss After Tax | (1,45,762.14) |
| Add:- Brought forward Loss from earlier year | (21,15,320.78) |
| Balance carried to Balance Sheet | (22,61,082.92) |

DIVIDEND

The Board of Directors do not recommend any dividend for the year.

SPECIAL RESOLUTIONS PASSED THROUGH POSTAL BALLOT

No special resolution was passed through postal ballot during the Financial Year 2013-14. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through postal ballot.

AUDITORS

During the year under review, the auditors need not be routed as they can continue as auditors for a period of three years i.e. up the year 2017. M/s. M.C. Jain & Co., Chartered Accountants, who are the statutory auditors of the Company, hold office till the conclusion of the forthcoming AGM and are eligible for re-appointment. Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint M/s. M.C. Jain & Co., Chartered Accountants as statutory auditors of the Company from the conclusion of the ensuing AGM till the conclusion of the AGM to be held in the year 2017, subject to ratification of their appointment at every AGM.

DIRECTORS

Ms. Rekha Sharma retires by rotation and being eligible, offers herself for re appointment. The brief resume of the Directors proposed to be appointed or reappointed at the ensuing AGM, as required in terms of Clause 49 of the Listing Agreement with the stock exchanges is provided in the annexure(s) to the notice of Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 217 (2AA) of the Companies Act, 1956 the Directors confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- (ii) appropriate accounting policies have been selected and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the period and of the profit and loss of the company for that period;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts have been prepared on a going concern basis.

DEPOSITS

During the year, the Company did not accept any deposits from the public within the meaning of Section 58A of the Companies Act, 1956.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The Statement containing the necessary information as required u/s. 217(1)(e) read with Companies (Disclosures of particulars in the Report of Board of Board of Directors) Rules, 1998 is given as under:

A. ENERGY CONSERVATION

Your Company has not consumed energy of any significant level and accordingly no measures were taken for energy conservation and no investment has been made for reducing energy conservation.

B. TECHNOLOGY ABSORPTION

The Company has not adopted any foreign technology.

C. FOREIGN EXCHANGE EARNING & OUTGO

Year Ended As at 31.03.2014

| | |
|---------------------------------|-----|
| Expenditure in foreign currency | NIL |
| Earning in foreign currency | NIL |

HUMAN RESOURCE

Your Directors would like to place on record their deep appreciation of all employees for dedicated and sincere services rendered by them.

As required under the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended, there was no employee in receipt of a remuneration exceeding Rs. 2,00,000/- per month if employed for part of the year or Rs. 24,00,000/- if throughout the year.

ACKNOWLEDGEMENT

Your Directors appreciate the dedication and efforts being made by the employees, shareholders and others during the year under review.

BY ORDER OF THE BOARD OF DIRECTORS

Place : New Delhi
Date : May 29, 2014

VIDIT JAIN
DIRECTOR
(Din-01347588)

REKHA SHARMA
DIRECTOR
(Din-2660066)

CORPORATE GOVERNANCE

INTRODUCTION

The Securities and Exchange Board of India has introduced a Code of Corporate Governance (Code) by way of amendment to the listing agreements with the Stock Exchanges. The Company has complied with the mandatory requirements of the Code.

(I) Company's Philosophy on Corporate Governance :

Corporate Governance implies governance with highest standards of professionalism, integrity, accountability, fairness, transparency, social responsiveness and business ethics for efficient and ethical conduct of business. Your Company's endeavor has been to inculcate good corporate governance practices in its organizational and business systems and processes with a clear goal to not merely adhere to the letter of law to comply with the statutory obligations, but also to center around following the spirit underlying the same.

The Corporate governance practices followed by the Company include the corporate structure, its culture, policies and practices, personal belief, timely and accurate disclosure of information, commitment to enhancing the shareholder while protecting the interests of all the stakeholders.

Your Company is committed to and firmly believes in practicing good corporate governance practices as they are critical for meeting its obligations towards shareholders and stakeholders. The Company's governance framework is based on the following principles which adhere to sound corporate governance practices of transparency and accountability:

- Constitution of Board of Directors with an appropriate blend of Executive and Non Executive Directors committed to discharge their responsibilities and duties.
- Strict Compliance with all governance codes, Listing Agreements, other applicable laws and regulations.
- Timely and balanced disclosure of all material information relating to the Company to all stakeholders.
- Adoption of 'Code of Conduct' for Directors and Senior Management, and 'Code of Ethics' and 'Policy on Prohibition of Insider Trading' and effective implementation thereof.

(II) Board of Directors :

- a) The total strength of the Board as on 01.04.2013 was 3 Directors comprising of one Independent Non Executive Director and Two Non Independent Non-executive Directors.
- b) During the year ended 31.03.2013, 4 (Four) Board Meetings were held with at least one meeting in every quarter on 29.05.2013, 13.08.2013, 11.11.2013, & 12.02.2014.

Statement of Attendance of each Director at the Board Meetings held during the Year and Last AGM:

| Name of the Director | Executive/ Independent/Non executive/ Nominee | No. of meetings held | No. of meetings Attended | Attendance at last AGM on 30.09.2013 |
|-----------------------------|---|----------------------|--------------------------|--------------------------------------|
| 1. Sh. Vidit Jain | Non Executive Non Independent Director | 4 | 4 | Present |
| 2. Ms. Rekha Sharma | Non Executive Non Independent Director | 4 | 4 | Present |
| 3. Sh. Anand Kumar Aggarwal | Independent Director (Chairman of Audit Committee) | 4 | 4 | Present |

Details of Board Meetings held during the year:

| S.No. | Date | Board Strength | No. of Directors present |
|-------|------------|----------------|--------------------------|
| 1 | 29.05.2013 | 3 | 3 |
| 2 | 13.08.2013 | 3 | 3 |
| 3 | 11.11.2013 | 3 | 3 |
| 4 | 12.02.2014 | 3 | 3 |

Number of Directorship on other Boards & Membership/ Chairmanship of Committees of other Boards:

| S.No. | Name of Director | No. of director-Ship in other Boards | Membership of Committees of Other Boards | Chairmanship of Committees of other Boards |
|-------|--------------------------|--------------------------------------|--|--|
| 1 | Sh. Vidit Jain | 5 | 2 | NIL |
| 2 | Ms. Rekha Sharma | NIL | NIL | NIL |
| 3 | Sh. Anand Kumar Aggarwal | 6 | NIL | NIL |

(III) Audit Committee

a) Composition:-

Pursuant to the provisions of Section 292A of the Companies Act, 1956 and the provisions of Clause 49 of the listing Agreement, Audit Committee has been constituted by the Board of Directors. The strength of the Audit Committee as on 01.04.2013 was three members .The strength of the Audit Committee as on 01.04.2013 was three members i.e. Sh. Vidit Jain Ms. Rekha Sharma and Sh. Anand Kumar Aggarwal

b) Terms of Reference

The broad terms of reference of Audit Committee are as follows:

- a. Oversight of the Company's financial reporting process and the disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
- b. Recommending to the Board, the appointment, re-appointment or removal of the statutory auditor and cost auditor and the fixation of their audit fees.
- c. Reviewing with management the periodical financial statements before submission to the Board for approval, with particular reference to (i) changes in accounting policies and practices, (ii) major accounting entries involving estimates based on exercise of judgment by management, (iii) qualifications in draft audit report (if any), (iv) significant adjustments made in financial statements arising out of the audit, (v) the going concern assumption, (vi) compliance with accounting standards, (vii) compliance with listing and other legal requirements concerning financial statements, (viii) Disclosures of any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc that may have potential conflict with the interest of the company at large;
- d. Reviewing with the management performance of statutory and internal auditors, the adequacy of internal control systems and recommending improvements to the management;
- e. Reviewing the adequacy of internal audit functions.
- f. Discussion with internal auditors any significant findings and follow-up thereon;
- g. Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- h. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- i. Approval of appointment of CFO after assessing the qualifications, experience & background, etc. of the candidate.

Composition and Attendance at the Audit Committee Meetings

| Date of the Meetings | Composition | Attendance (Yes/ No) | Chairman |
|-----------------------------|--|-----------------------------|--------------------------|
| 29.05.2013 | 1. Sh. Vidit Jain, Member 2. Ms. Rekha Sharma, Member 3. Sh.Anand Kumar Aggarwal, Member | YES YES YES | Sh. Anand Kumar Aggarwal |
| 13.08.2014 | 1. Sh. Vidit Jain, Member 2. Ms. Rekha Sharma, Member 3. Sh.Anand Kumar Aggarwal, Member | YES YES YES | Sh. Anand Kumar Aggarwal |
| 11.11.2013 | 1. Sh. Vidit Jain, Member 2. Ms. Rekha Sharma, Member 3. Sh.Anand Kumar Aggarwal, Member | YES YES YES | Sh. Anand Kumar Aggarwal |
| 12.02.2014 | 1. Sh. Vidit Jain, Member 2. Ms. Rekha Sharma, Member | YES YES YES | Sh. Anand Kumar Aggarwal |

| | | | |
|--|---------------------------------------|--|--|
| | 3. Sh.Anand Kumar Aggarwal, Member | | |
|--|---------------------------------------|--|--|

(iv) Remuneration Committee

Composition :

The strength of the Remuneration Committee as on 01.04.2013 was three members i.e. Sh. Vidit jain, Ms Rekha Sharma & Sh. Anand Aggarwal. No meeting of Remuneration Committee held during the year 2013-14.

Details of remuneration/sitting fees paid to directors during the year 2013-14:

Amount (Rs.)

| Sl. No. | Name of the Director | Description of Transaction | Basic | Perquisites | Sitting Fee | Total |
|---------|-------------------------------------|----------------------------|-------|-------------|-------------|-------|
| 1 | Sh. Vidit Jain, Director | Remuneration & perquisites | NIL | NIL | NIL | NIL |
| 2 | Ms. Rekha Sharma, Director | Remuneration & perquisites | NIL | NIL | NIL | NIL |
| 3 | Sh. Anand Kr Aggarwal, President | Remuneration & perquisites | NIL | NIL | NIL | NIL |

(V) Share Transfer-cum-Shareholders' Grievance Committee

The Committee is vested with the requisite power and authority to specifically look into the redressal of the shareholders'/Debentureholders/ Investors' Grievance.

a) Composition

Presently the Share/Debenture Transfer-cum-Shareholders'/Investors' Grievance Committee consisted of two members - Sh.Vidit Jain and Sh. Anand Kumar Aggarwal.

b) Investors Complaints received and resolved during the year

No complaint was received during the year ended on 31.03.2014.

c) Meetings:-

During the year ending 31.03.2014, 36 Meetings of Share/ Debenture Transfer-cum Shareholders'/ Investors' Grievance Committee were held. The Details of attendance of Members are as under:

| Name of Member | No. of Meetings Held | No of Meetings attended |
|--------------------------------|----------------------|-------------------------|
| 1. Sh. Vidit Jain | 36 | 36 |
| 2. Sh. Anand Kumar Aggarwal | 36 | 36 |

No complaint was received during the year ended on 31st March, 2014.

(VI) ANNUAL GENERAL MEETINGS :

Location and time for the last three AGM's

| Year | Date | Venue | Time |
|-------------|-------------|--|-------------|
| 2011 | 30.09.2011 | Village Kapriwas (Dharuhera) Distt. Rewari, Haryana | 12.00 NOON |
| 2012 | 29.09.2012 | -do- | 11.00 Noon |
| 2013 | 30.09.2013 | -do- | 10.00 Am |

No postal ballots resolutions were passed.

(VII) Disclosures

a) Related Party Transactions:

There are no material significant transactions with related parties except those mentioned in the Annual Accounts for the F.Y 2013-14 conflicting with the Company's interest. There was also no instance of non-compliance on any matter related to the Capital Markets during the F.Y 2013-14.

b) Compliance by the Company:

The Company has complied with the requirements of the Stock Exchanges, SEBI and other Statutory Authorities on all matters related to capital market during the last three years.

(8.) Code of conduct for Directors and Senior Management:

The Company has framed a Code of Conduct for Directors and senior officers of the Company, which has been complied by the Board members and senior officers of the Company

(VIII) Means of Communication:

Half Yearly Report to each household of shareholders:

The Company has not yet started sending the half-yearly reports to each household of Shareholders. But if any shareholder seeks any information, then the same is provided by the Company.

Quarterly Results

Quarterly results are published in English and Hindi Newspapers as per the requirement of listing agreement with the Stock Exchanges. The same are also faxed to the Stock Exchanges where the company is listed.

Distribution of Shareholding as on 31.03.2014:

| | <u>Shareholding</u> | <u>%age</u> |
|--|---------------------|-------------|
| A. Promoters' holding including their relatives Associate Companies | 540800 | 11.51 |
| B. Non-Promoters Holding | | |
| - Directors | Nil | Nil |
| - Institutional Investors – Financial Institutions | | |

| | | |
|----------------------------|---------|--------|
| Banks, Mutual Funds etc. | Nil | Nil |
| - Private Corporate Bodies | 1999802 | 42.55 |
| - Public | 2159398 | 45.94 |
| | ----- | ----- |
| | 4700000 | 100.00 |
| | ----- | ----- |

(IX) Shareholders information :

A. Annual General Meeting

Date & Time : Friday the 12th September, 2014 at 10.00 A.M
 Venue : Registered Office of the Company at Village Kapriwas
 (Dharuhera) Distt. Rewari, Haryana

B. Book Closure : From Saturday the 6th Saturday, 2014 to Saturday the
 12th September, 2014 (both days inclusive).

C. Registrar & Transfer Agents :

M/s. Skyline Financial Services Pvt. Ltd., D-153A, Okhla Industrial Area, Phase I,
 New Delhi is the Registrar and Transfer Agents of the Company for physical and
 demat segments.

D. Dematerialisation of shares and liquidity

Procedure for dematerialization/rematerialization of shares Shareholders seeking
 demat/remat of their shares must approach the Depository Participants (DP) with
 whom they maintain a demat account. The DP will generate an electronic request
 and will send the physical share certificates to the Registrar and Share transfer
 Agent ("the Registrar") of the Company. Upon receipt of the request and share
 certificate, the Registrar will verify the same. Upon verification, the Registrar will
 request the National Securities Depository Ltd. (NSDL)/Central Depository
 Services Ltd. (CDSL) to confirm the demat request. The demat account of the
 concerned shareholder will be credited with an equivalent number of shares. In
 case of a rejection of the request, it will be communicated to the shareholder. In the
 case of remat, upon receipt of a request from the shareholder, the DP generates a
 request and verification of the same is done by the Registrar. The Registrar then
 request the NSDL and CDSL to confirm the request. The approval of the company
 is sought and an equivalent number of shares are issued in the physical form to
 the shareholder.

94.46% of the total share holdings of equity shares have been dematerialized up to
 31.03.2014. Trading in Company's shares is permitted only in demat form w.e.f.
 06.09.2000 as per notification issued by the Securities & Exchange Board of India.

E. Listing at Stock Exchanges

The details regarding payment of listing fee to Stock Exchange are given below:

| Sl. No. | Name of Stock Exchanges | Listing Fee Paid up to | Stock Code No. |
|---------|--|---------------------------|-------------------|
| 1. | Delhi Stock Exchange Association Ltd. | 2004-05 | A-2 |
| 2. | The Stock Exchange, Mumbai | 2013-14 | A-1 |

Market Price data : High/Low during the year

| Month | High (Rs) | Low (Rs) |
|-----------------|-----------|----------|
| April, 2013 | 7.70 | 4.49 |
| May, 2013 | 8.04 | 4.06 |
| June, 2013 | 8.40 | 5.70 |
| July, 2013 | 7.44 | 3.84 |
| August, 2013 | 8.24 | 6.29 |
| September, 2013 | 8.92 | 5.96 |
| October, 2013 | 8.78 | 5.90 |
| November, 2013 | 9.35 | 7.25 |
| December, 2013 | 9.97 | 6.33 |
| January, 2014 | 9.00 | 4.74 |
| February, 2014 | 6.93 | 4.58 |
| March, 2014 | 5.83 | 3.48 |

CEO/CFO Certificate

The requisite certificate has been obtained from the CEO/ CFO of the Company.

For and on behalf of
The Board of Directors

PLACE : NEW DELHI
DATED : MAY 29, 2014

VIDIT JAIN
DIRECTOR

**Declaration Regarding Compliance by Board Members and Senior
Management Personnel with Code of Conduct.**

This is to confirm that Company has adopted "Pasupati Fincap "Ltd Code of Conduct "for its Senior Management and Board members and the same has been posted on Company's website.

I confirm that the Company has in respect of the financial year ended 31st March, 2014, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them

For the purpose of this declaration, Senior Management Senior means personnel of the Company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management i.e. Executive Directors and all functional heads

Vidit Jain

**Director
(Din-01347588)**

**New Delhi,
May 29, 2014**

CERTIFICATION BY CHIEF EXECUTIVE OFFICER:

In terms of Clause 49 of the Standard Listing Agreement, I, Vidit Jain, Chief Executive Officer of Pasupati Fincap Limited, to the best of my knowledge, certify that:

- a. I have reviewed financial statements , cash flow statement and the directors' report for the year ended 31st March, 2014.
- b. Based on my knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made;
- c. Based on my knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations;
- d. To the best of my knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct;
- e. I accept the responsibility for establishing and maintaining internal controls for financial reporting evaluate the effectiveness, disclosing the deficiencies in the design or operation of internal controls, if any, to the Auditors and Audit Committee and take steps or propose to take steps to rectify these deficiencies.
- f. I have indicated, wherever applicable, to the Auditors and the Audit Committee:
 - i. Significant changes in Internal Control over financial reporting during the period; and
 - ii. Significant changes in Accounting Policies, the same have been disclosed in the notes to the financial statement;

FOR PASUPATI FINCAP LIMITED

**VIDIT JAIN
CHIEF EXECUTIVE OFFICER**

Place: New Delhi
Date: 29th May, 2014

CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE

**The Members,
PASUPATI FINCAP LIMITED
VILLAGE KAPRIWAS
DHARUHERA
DISTT REWARI
HARYANA**

We have examined the compliance of conditions of Corporate Governance by **PASUPATI FINCAP LIMITED**, for the year ended on **31st March, 2014**, as stipulated in Clause 49 of the Listing Agreement executed by the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement in all material respects.

We state that no investor grievances are pending for a period exceeding one month against the Company as certified by the Registrars & Share Transfer Agent of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For SHREYANSH JAIN & ASSOCIATES
COMPANY SECRETARIES**

**(SHREYANSH PRATAP JAIN)
Company Secretary
CP No. 9515**

Place: New Delhi
Date: 29th May, 2014

AUDITORS REPORT

To the Members of
Pasupati Fincap Ltd.

1. We have audited the accompanying financial statements of **Pasupati Fincap Limited**, which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.
2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - b) in the case of the Profit and Loss Account, of the Loss for the year ended on that date.
 - c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
7. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

8. As required by section 227(3) of the Act, we report that:
- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.

 - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For M. C. JAIN & CO.
Chartered Accountants
FRN 304012E

(Deepak Jain)
Partner
M. No.520451

Place:-New Delhi
Date:-29.05.2014

ANNEXURE REFERRED TO IN PARAGRAH 4 & 5 OF THE AUDITORS REPORT OF EVEN DATE TO THE MEMBERS OF PASUPATI FINCAP LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2014.

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management of the company during the year which is in our opinion is reasonable having regards to the size of the company and nature of its fixed assets.

(c) There was no disposal of fixed assets during the year, which would affect the going concern of the company.
2. (a) The management has been conducting physical verification of inventory at reasonable intervals.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.

(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
3. (a) During the year, the Company has given loan to **One party** covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.4,62,46,660.00 and the year end balance of loans given to such parties was Rs. 4,62,44,660.00.
(b) There is no overdue amount of loans granted to companies, firms and other parties listed in the register maintained u/s 301 of the Companies Act, 1956.
(c) The company has no taken loans from the parties covered in the register maintained u/s 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal procedures commensurate with the size of the Company and nature of its business for the purchases of inventory and fixed assets and for the sale of goods. During the course of our audit no major weaknesses were found in internal control.
5. In our opinion and according to the information and explanations given to us, we are of the opinion that there have been no transaction that need to be entered into register maintained under Section 301 of the Companies Act, 1956, and hence Clause 4(v)(b) is not applicable.
6. In our opinion and according to the information and explanations given to us the company has not accepted any Deposits from the public within the meaning of section 58A of the Companies Act, 1956, and the Companies (Acceptance of Deposit) Rules, 1975.
7. In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
8. We are informed that the maintenance of cost records has not been prescribed by the Central Government Under Section 209(1)(d) of the Companies Act, 1956.
9. (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the Company is generally regular in

depositing undisputed statutory dues with the appropriate authorities. According to the information and explanation given to us, there are outstanding arrears as mentioned above as at 31st March, 2014 for a period of more than six months from the date they became payable.

(b) There are no dues outstanding of Sales Tax, Income Tax, Custom Tax, Wealth Tax, Excise Duty and Cess on account of any dispute.

10. The Company has accumulated losses of Rs. 22,61,082.92 at the end of the financial year and it has incurred cash loss of Rs. 1,40,902.14 in the current and cash loss of Rs. 2,63,116.00 in immediately preceding financial year.
11. According to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution, and bank.
12. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute as specified under paragraph (xiii) of the Order are not applicable to the company.
14. In our opinion and according to the information and explanations given to us, the Company is trader in securities.
15. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
17. Based on the information and explanations given to us and on an overall examination of the balance sheet of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment and vice versa.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956 during the year.
19. The Company has not issued any debentures.
20. The Company has not raised any money by public issue during the year.
21. According to the information and explanations given to us, during the year, no fraud on or by the company has been noticed or reported.

For M. C. JAIN & CO.
Chartered Accountants
FRN 304012E

Place:-New Delhi
Date:-29.05.2014

(Deepak Jain)
Partner
M. No.520451

Date: 29.05.2014

TO,
M.C.JAIN & COMPANY
Chartered Accountants

Dear Sirs,

Re: Statutory Audit under section 227 of the Companies Act 1956 for the year ended 31st March 2014

With reference to the Financial Statements of the Company for the year ended 31st March, 2014 duly authenticated by the Board of directors at the meeting dated on 20.05.2014 submitted to you for the purpose of expressing an opinion as to whether the Statements give a true and fair view under the historical cost convention on accrual basis of accounting of the financial position of the Company as on 31st March, 2014 and of the results of the operations for the year then ended, we acknowledge our responsibility for preparation of financial statements in accordance with the requirements of the Companies Act, 1956 (or other relevant statute, as applicable) and recognised accounting policies and practices, including mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and hereby confirm that to the best of our knowledge and belief:

1. *Basis for Preparation of Financial Statements*

- 1.1 The accounting policies are in accordance with the generally accepted accounting standards.
- 1.2 The accounting policies which are material or critical in determining the results of operations for the year or the financial position are set out in the financial statements and are consistent with those adopted in the financial statements for the previous year.
- 1.3 The financial statements are prepared on a going concern basis.
- 1.4 We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
- 1.5 The financial statements and appended notes thereto, include all material disclosures necessary for these accounts to show a true and fair view of the state of affairs and the results of operations of the Company (including those related to prior period items, extra ordinary items, changes in accounting policies or changes in accounting estimates) and disclosures required to be made therein under the Companies Act, 1956/ respective Accounting Standards, where applicable and are free of material misstatements, including omissions.
- 1.6 No events or transactions have occurred since the date of Balance Sheet or are pending that would have material effect on the financial statements at that date or for the period then ended other than those reflected or fully disclosed in the books of account.
- 1.7 No event has occurred that are of such significance in relation to the company's affairs to require to mention in a note to the financial statements in order to make them not misleading the financial position, result of operation of the company.

2. *Internal Control Structure*

- 2.1 There is an adequate internal control procedure commensurate with the size of the company and the nature of its business.
- 2.2 We are not aware of any continuing failure to correct any major weaknesses in such internal controls.

- 2.3 There is no material transaction that has remained unrecorded in the accounting records underlying the financial statements.
- 2.4 The financial statements are free from material misstatements including omissions.
- 2.5 We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud and error. We have no knowledge of any fraud or suspected fraud on or by the company, noticed or reported during the year.

3. *Loans and Advances*

- 3.1 Advances for value to be received in cash or in kind as at 31st March, are recoverable on demand on prior notice in writing and are unsecured and considered good.
- 3.2 The advances have a value on realization in the ordinary course of business at least equal to the amounts at which they are stated in the balance sheet.
- 3.3 The company has not granted any loans, secured or unsecured, to companies, firms or other parties in the register maintained under section 301 of the Companies Act, 1956.
- 3.4 In respect of all advances given there is no dispute regarding their recoverability?

4. *Cash and Bank Balances*

The Balance Sheet as at 31st March, 2014 includes all cash and bank balances of the company as at 31st March, 2014. Cash balance of Rs. 4,51,916 has been physically verified by responsible officials of the company at the year-end and no discrepancies have been found.

5. *Current Liabilities*

- 5.1 All known liabilities have been recorded in the books of account and there is no disputed liabilities as on date to disclosed as contingent liabilities.
- 5.2 There are no undisputed amounts outstanding in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax and any other applicable statutory dues which were due for more than six months as at the Balance Sheet date.
- 5.3 There is no amount payable in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax and any other applicable statutory dues at any time during the year.
- 5.4 Since the Company is not having any timing and permanent difference as prescribed AS-22 hence provision for Deferred Tax is not required to be provided.

6. *Provisions*

- 6.1 All liabilities outstanding in the books are payable.

7. *Contingent Liabilities*

- 7.1 There were no contingent liabilities, potential liabilities, threatened litigations or capital commitments of material amounts.
- 7.2 There is no disputed amounts of Statutory Dues which are disclosed as Contingent Liabilities.

8. *Registers, Minutes and Contracts*

- 8.1 The Minutes of the meeting of the shareholders and the directors and the Registers required to be maintained under the Companies Act are completed and authenticated.
- 8.2 All matters required to be recorded in the registers and the minutes book of the company have been and are recorded correctly.
- 8.3 All transactions that need to be entered into a register in pursuance of section 301 of the Companies act, 1956 have been so entered. Each of these transactions has been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
9. *Others*
- 9.1 We are not aware of any violations or possible violations of laws or regulations the effect of which should be considered for disclosure in the financial statements or as a basis for recording a loss contingency. There have been no communications from regulatory agencies concerning non-compliance with or deficiencies in financial reporting practices that could have a material effect on the financial statements in the event of non-compliance.
- 9.2 Based on the written representations (in Form DD) obtained from the directors and taken on record by the Board of directors, we confirm that none of the directors is disqualified under section 274 (1) (g) of the Companies Act 1956 as at the Balance Sheet date.
- 9.3 Transactions of the Company which are represented merely by book entries are not prejudicial to the interests of the Company.
- 9.4 There are no transactions that need to be entered in the register in pursuance of Section 301 of the Companies Act, 1956 during the year.

Yours faithfully

For PASUPATI FINCAP LIMITED

(Director)
(Din-01347588)

PASUPATI FINCAP LTD

BALANCE SHEET AS AT 31 ST MARCH,2014

| PARTICULARS | NOTE NO. | 31 MARCH 2014 Rs. | 31 MARCH 2013 Rs. |
|--|-----------|-----------------------------|-----------------------------|
| A EQUITY AND LIABILITIES | | | |
| I Shareholders' funds | | | |
| (a)Share Capital | 1 | 47,000,000.00 | 47,000,000.00 |
| (b)Reserves & Surplus | 2 | (1,686,082.92) | (1,540,320.78) |
| | | <u>45,313,917.08</u> | <u>45,459,679.22</u> |
| II Non-Current Liabilities | | | |
| (a)Long-Term Borrowings | 3 | 2,910,636.00 | 2,010,636.00 |
| III Current liabilities | | | |
| (a)Trade Payables | 4 | 3,186,742.23 | 3,184,495.03 |
| (b)Other Current Liabilities | 5 | 28,315.00 | 33,315.00 |
| (c)Short- Term Provisions | | - | - |
| Total | | <u><u>51,439,610.31</u></u> | <u><u>50,688,125.25</u></u> |
| B ASSETS | | | |
| I Current assets | | | |
| (a)Trade receivables | | - | - |
| (b)Cash and Cash Equivalent | 6 | 955,376.18 | 10,862.18 |
| (c)Short term loans and advances | 7 | 50,484,234.13 | 50,677,263.07 |
| Total | | <u><u>51,439,610.31</u></u> | <u><u>50,688,125.25</u></u> |
| | | - | - |
| Significant Accounting Policies & Notes on Accounts | 11 | | |

As per our report attached
FOR M.C. JAIN & CO.
Chartered Accountants
FRN304012E

For and on behalf of the Board
FOR PASUPATI FINCAP LTD

(Deepak Jain)
Partner
M.No.520451
Place:New Delhi
Date: 29.05.2014

(Director)
(Din-01347588)

(Director)
(Din-2660066)

PASUPATI FINCAP LTD

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014.

| Particulars | Note No. | 31 March 2014 Rs. | 31 March 2013 Rs. |
|--|-----------------|------------------------------|------------------------------|
| i. Revenue from operation (Net) | | - | - |
| ii. Other income | 8 | 2,370.06 | - |
| iii. Total revenue (I+ii) | | 2,370.06 | - |
| iv. Expenses : | | | |
| Finance costs | 9 | 1,671.00 | 259.00 |
| Other expenses | 10 | 141,601.20 | 262,857.06 |
| Total expenses | | 143,272.20 | 263,116.06 |
| (v) Profit before expected and extraordinary item and tax (iii-iv) | | (140,902.14) | (263,116.06) |
| (v) Exceptional items | | - | - |
| (vi) Profit before extraordinary items and tax(v-vi) | | (140,902.14) | (263,116.06) |
| (vii) Extraordinary items | | - | - |
| (ix) Profit before tax(vii-viii) | | (140,902.14) | (263,116.06) |
| (x) Tax expenses: | | | |
| - Current Tax | | - | - |
| - Deferred Tax | | - | - |
| - Income Tax for previous years | | 4,860.00 | (154,520.00) |
| (Xi) Profit/(Loss) for the year (ix-x) | | (145,762.14) | (108,596.06) |
| (Xii)Earning Per Share | | | |
| -Basic | | (0.03) | (0.02) |
| -Diluted | | (0.03) | (0.02) |
| Significant Accounting Policies & Notes on Accounts | 11 | | |

As per our report attached
FOR M.C. JAIN & CO.
Chartered Accountants
FRN304012E

For and on behalf of the Board
FOR PASUPATI FINCAP LTD

(Deepak Jain)
Partner
M.No.520451
Place:New Delhi
Date: 29.05.2014

(Director)
(Din-01347588)

(Director)
(Din-2660066)

PASUPATI FINCAP LTD
NOTES TO FINANCIAL STATEMENTS

| | AS AT 31ST MARCH,2014 | AS AT 31ST MARCH,2013 |
|---|--------------------------|--------------------------|
| 1 Share capital | | |
| Authorised | | |
| 50,00,000 Equity Shares of Rs. 10 each | 50,000,000.00 | 50,000,000.00 |
| 47,00,000 Equity Shares of Rs. 10 each fully paid in cash | 47,000,000.00 | 47,000,000.00 |
| | 47,000,000.00 | 47,000,000.00 |

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period
Equity Shares

| | 31ST MARCH,2014 | | 31ST MARCH,2013 | |
|---|------------------|----------------------|------------------|----------------------|
| | Number | Amount | Number | Amount |
| At the beginning of the period | 4,700,000 | 47,000,000.00 | 4,700,000 | 47,000,000.00 |
| Issued during the period | - | - | - | - |
| Bought back during the period | - | - | - | - |
| Outstanding at the end of the period | 4,700,000 | 47,000,000.00 | 4,700,000 | 47,000,000.00 |

b. Terms/ Rights attached to Equity Shares

The company has only one class of Equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of Shareholders holding more than 5% shares in the Company

| | 31ST MARCH,2014 | | 31ST MARCH,2013 | |
|-------------------------------------|-----------------|---------|-----------------|---------|
| | Number | Holding | Number | Holding |
| Promoters and Promoter Group | | | | |
| Charishma Engineering Limited | - | 0.00% | 1,181,947 | 25.15% |
| K.K. Securities Limited | - | 0.00% | 463,268 | 9.86% |
| Orion Stocks Ltd. | 495,282 | 10.54% | - | - |
| Bonanza Portfolios | 389,511 | 8.29% | - | - |
| CPR Capital Services Limited | 328,722 | 6.99% | 343,090 | 7.30% |
| Sharekhan Limited | - | 0.00% | 257,200 | 5.47% |

2 Reserves and Surplus

| | | | | |
|--|----------------|-----------------------|----------------|-----------------------|
| a General Reserve | 375,000.00 | | 375,000.00 | |
| Opening Balance | - | 375,000.00 | - | 375,000.00 |
| Add/Less: Transferred during the year | | | | |
| b Special Reserve Fund | 200,000.00 | | 200,000.00 | |
| Opening Balance | 200,000.00 | | 200,000.00 | |
| Add/Less: Net Profit/Loss for the Current Year | - | 200,000.00 | - | 200,000.00 |
| c Surplus of Profit & Loss A/c | (2,115,320.78) | | (2,006,724.72) | |
| Opening Balance | (2,115,320.78) | | (2,006,724.72) | |
| Add/Less: Net Profit/Loss for the Current Year | (145,762.14) | (2,261,082.92) | (108,596.06) | (2,115,320.78) |
| Total | | (1,686,082.92) | | (1,540,320.78) |

PASUPATI FINCAP LTD

Notes to financial statements for the year ended 31st March, 2014

| Particulars | As At 31st March 2014 (in Rs.) | As At 31st March 2013 (in Rs.) |
|--|------------------------------------|------------------------------------|
| Note No.-03 Long Term Borrowings | | |
| (a) Security Deposits | | |
| SMS Demag Pvt. Ltd. | 2,010,636.00 | 2,010,636.00 |
| Total(a) | <u>2,010,636.00</u> | <u>2,010,636.00</u> |
| (b) Loan Taken | | |
| Skyline Fincap Service Pvt Ltd | 900,000.00 | - |
| Total(b) | <u>900,000.00</u> | <u>-</u> |
| Grand Total(a+b) | <u>2,910,636.00</u> | <u>2,010,636.00</u> |
| Note No.-04 Trade Payable | | |
| Skyline Financial Services Pvt. Ltd. | 17,487.00 | 17,487.00 |
| Integrated Master Securities Ltd. | 3,479.20 | 1,232.00 |
| Unity Fincap Limited | 3,165,776.03 | 3,165,776.03 |
| Total | <u>3,186,742.23</u> | <u>3,184,495.03</u> |
| Note No.-05 Other Current Liabilities | | |
| (a) Others Payables | | |
| Pena Vision (Professional Charges) | - | 5,000.00 |
| Auditor Remuneration | 28,315.00 | 28,315.00 |
| Total | <u>28,315.00</u> | <u>33,315.00</u> |
| Note No.-06 Cash & Cash Equivalents | | |
| (a) Cash in Hand (As certified by the Management) | 451,916.00 | 6,916.00 |
| (b) Balances with in Current with Schedule Bank | | |
| Punjab National Bank | 503,460.18 | 3,946.18 |
| Total | <u>955,376.18</u> | <u>10,862.18</u> |
| Note No.-07 Short Term Loans & Advances | | |
| (a) Loans & Advances to Related Parties | | |
| Pasupati Spinning & Weaving Mills Limited | 41,435,000.00 | 41,435,000.00 |
| Sulabh Impex Limited | 3,609,660.00 | 3,611,660.00 |
| Shivani Textiles Ltd. | 1,200,000.00 | 1,136,448.94 |
| Total(a) | <u>46,244,660.00</u> | <u>46,183,108.94</u> |
| (b) Loans & Advances to Others | | |
| <u>Secured</u> | | |
| Ganga Automobiles Ltd. | 3,089,150.13 | 3,089,150.13 |
| Total(b) | <u>3,089,150.13</u> | <u>3,089,150.13</u> |
| <u>Unsecured</u> | | |
| Narendra Impex | 978,000.00 | 978,000.00 |
| Total(c) | <u>978,000.00</u> | <u>978,000.00</u> |
| (c) Balances with Government Authorities | | |
| Income Tax Refund (A.Y. 2010-11) | 24,424.00 | 24,424.00 |
| Income Tax Refund (A.Y. 2011-12) | 148,000.00 | 148,000.00 |
| Income Tax Refund (A.Y. 2012-13) | - | 254,580.00 |
| Total(d) | <u>172,424.00</u> | <u>427,004.00</u> |
| Grand Total(a+b+c+d) | <u>50,484,234.13</u> | <u>50,677,263.07</u> |

PASUPATI FINCAP LTD

Notes to financial statements for the year ended 31st March, 2014

| Particulars | As at 31 March 2014 Rs. | As at 31 March 2013 Rs. |
|---|--|------------------------------------|
| <u>Note No.-8 Other Income</u> | | |
| Dividend Income | 1,250.00 | - |
| Misc Income | 1,120.00 | - |
| Round Off | 0.06 | - |
| | <u>2,370.06</u> | <u>-</u> |
| <u>Note No.-9 Finance Cost</u> | | |
| Interest & Financial Charges | 1,671.00 | 259.00 |
| | <u>1,671.00</u> | <u>259.00</u> |
| <u>Note No.-10 Other Expenses</u> | | |
| <u>(A) Administrative & Other Expenses</u> | | |
| Advertisement Expenses | 56,007.00 | 35,733.06 |
| Bombay Stock Exchange Fee | 17,004.00 | - |
| CDSL Fee | 6,741.00 | - |
| DMAT Charges | - | 1,232.00 |
| Legal & Professional Expenses | 24,546.00 | 70,821.00 |
| Maintenance Charges | 2,247.20 | - |
| Miscellaneous Expenses | - | 3,006.00 |
| NSDL Fee | 6,741.00 | - |
| Sundry Balances Written off | - | 123,750.00 |
| | <u>113,286.20</u> | <u>234,542.06</u> |
| <u>(b) Payment to Auditor</u> | | |
| Statutory Audit Fees | 25,200.00 | 25,200.00 |
| Service Tax | 3,115.00 | 3,115.00 |
| | <u>28,315.00</u> | <u>28,315.00</u> |
| | <u>141,601.20</u> | <u>262,857.06</u> |

PASUPATI FINCAP LIMITED

Cash Flow Statement for the year ended 31st March 2014

| | 2013-14 | (in Rs.) 2012-13 |
|---|-------------------|---------------------|
| A. Cash Flow from Operating Activities : | | |
| Net Profit/(Loss) before Tax | (140,902.14) | (263,116.06) |
| <u>Adjustment for :</u> | | |
| Interest and Financial Charges | 1,671.00 | 259.00 |
| | <u>1,671.00</u> | <u>259.00</u> |
| Operating Profit before working Capital changes | (139,231.14) | (262,857.06) |
| <u>Adjustment for (Increase)/Decrease in operating assets:</u> | | |
| Trade Receivables | - | 123,750.00 |
| Inventories | - | - |
| Short-term loans & advances | 193,028.94 | 20,391.06 |
| <u>Adjustment for Increase/(Decrease) in operating liabilities:</u> | | |
| Trade Payable | 2,247.20 | 14,715.00 |
| Other Current liabilities | (5,000.00) | (8,950.00) |
| Short-term provisions | - | (504,435.00) |
| Long-term provisions | - | - |
| | <u>190,276.14</u> | <u>(354,528.94)</u> |
| Cash Generated from Operations | 51,045.00 | (617,386.00) |
| Direct Taxes Paid | 4,860.00 | - |
| Net Cash from Operating Activities | <u>46,185.00</u> | <u>(617,386.00)</u> |
| B. Cash Flow from Investing Activities : | | |
| Net Cash Flow from Investing Activities | <u>-</u> | <u>-</u> |
| C. Cash Flow from Financing Activities : | | |
| Proceed from Issue of Share Capital | - | - |
| Long Term Borrowings taken | 900,000.00 | (897,400.00) |
| Interest and Financial Charges | (1,671.00) | (259.00) |
| | <u>898,329.00</u> | <u>(897,659.00)</u> |
| Net Increase / (Decrease) in Cash and Cash Equivalents | 944,514.00 | (1,515,045.00) |
| Opening Balance of Cash and Cash Equivalents | 10,862.18 | 1,525,907.18 |
| Closing Balance of Cash and Cash Equivalents | <u>955,376.18</u> | <u>10,862.18</u> |
| Cash and cash equivalent at the end of the yaer | | |
| (a) Cash on Hand | 451,916.00 | 6,916.00 |
| (b) Balance with Bank (in Current Account) | 503,460.18 | 3,946.18 |
| | <u>955,376.18</u> | <u>10,862.18</u> |

As per our Report of even date
For M C Jain & Co
Chartered Accountants
FRN 304012E

For and on behalf of the Board
FOR PASUPATI FINCAP LTD

(Deepak Jain)
Partner
M.No.520451
Place: New Delhi
Date: 29.05.2014

(Director)
(Din-01347588)

(Director)
(Din-2660066)

PASUPATI FINCAP LIMITED

Notes forming part of the financial statements for the year ended 31.03.2014

| Note | Particulars |
|-----------|--|
| 11 | Significant accounting policies |
| 1 | <p>Basis of accounting and preparation of financial statements</p> <p>The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention except for categories of fixed assets acquired before 1 April, 2010, that are carried at revalued amounts. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p> |
| 2 | <p>Use of estimates</p> <p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p> |
| 3 | <p>Revenue Recognition</p> <p>Revenue and expenses are recognised on their accrual including provisions and/or adjustments for committed obligations and amounts determined as payable and receivables during the period.</p> |
| 4 | <p>Foreign Currency Transaction</p> <p>Foreign Currency Transaction are accounted for at the prevailing foreign exchange rates at the time the transaction took place.</p> |
| 5 | <p>Depreciation</p> <p>The company is not having any Fixed Assets.</p> |
| 6 | <p>Investments</p> <p>The Unquoted Investments are stated at the purchase price plus expenses i.e. brokerage, fees and duties etc. related with the purchases.</p> |
| 7 | <p>Impairment of Assets</p> <p>If the carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the selling price and the value determined by the present value of estimated future cash flows.</p> |
| 8 | <p>Fixed Assets</p> <p>No Fixed Assets have been held by company.</p> |
| 9 | <p>Inventory</p> <p>Company is not carrying any inventory</p> |
| 10 | <p>Disclosure under AS-15 (Revised) – Employee Benefits</p> <p>There are no long Term Employees Benefits which require assessment of future liability of the company as per AS-15 issued under the companies (Accounting Standards) Rules, 2006</p> |
| 11 | <p>Sundry Debtors, Loans and Advances and Sundry Creditors</p> <p>In the opinion of the Board of Directors, the Current Assets, Loans and Advances are approximately of the value stated if realised in the course of business. The provisions for all known liabilities are adequate and not in excess of the amount reasonable required. Balance of Sundry Creditors, Sundry Debtors and Loans & Advances are subject to confirmation and reconciliation.</p> |

PASUPATI FINCAP LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

| Note | Particulars | | |
|---|---|--------------------------------------|-------------------------|
| 12 | Earning Per Share | | |
| | The Company report Basic and Diluted earning per share (EPS) in accordance with Accounting Standard – 20 issued by the Institute of Chartered Accountants of India. The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS have been computed using the weighted average number of equity shares and Diluted potential equity shares outstanding at the end of the year. | | |
| | Particulars | As on 31.03.2014 | As on 31.03.2013 |
| | Net Profit After Tax (Rs.) | (145,762.14) | (108,596.06) |
| | No. of Paid up Equity Shares (Weighted Average) | 4,700,000 | 4,700,000 |
| | Face Value Per Share (Rs.) | 10.00 | 10.00 |
| Earning Per Share (Rs.) | | | |
| Basic | (0.03) | (0.02) | |
| Diluted | (0.03) | (0.02) | |
| 13 | Related Party Disclosures | | |
| | The Company has made the following transactions with related parties as defined under the provisions of Accounting Standard-18 issued by the Institute of Chartered Accountants of India. | | |
| | List of related parties along with the nature and volume of transaction is given below from 01.04.2013 to 31.03.2014. | | |
| | Directors & Key managerial persons & their associate concerns | Nature of Relationship | |
| | (a) Sh. Vidit Jain | Self | |
| | (b) Sh. Anand Kumar Aggarwal | Self | |
| | (c) Mrs. Rekha Sharma | Self | |
| | Enterprises owned / controlled by the directors relatives | Description of Relationship | |
| | (a) Pasupati Spinning & Weaving Mills Limited | Company under common control | |
| | (b) Pasupati Olefin Limited | Company under common control | |
| (c) Shivani Textiles Limited | Company under common control | | |
| (d) Sulabh Impex Limited | Company under common control | | |
| Enterprises owned / controlled by the Directors and/or their Relatives | Nature of Transaction | Amount as on 31/03/2013 (Rs.) | |
| <u>Sulabh Impex Limited</u> | Loans and Advances | | |
| Opening Balance (Dr.) | | 3,611,660.00 | |
| Add : Advances given | | - | |
| Less : Received during the year | | 2,000.00 | |
| Closing Balance (Dr.) | | 3,609,660.00 | |
| <u>Shivani Textiles Limited</u> | Short Term Borrowings | | |
| Opening Balance | | 1,136,448.94 | |
| Add : Loans given | | 646,807.12 | |
| Less : Amount Received/adjustment | | 583,256.06 | |
| Closing Balance | | 1,200,000.00 | |
| <u>Pasupati Spinning & Weaving Mills Limited</u> | Loans and Advances | | |
| Opening Balance (Dr.) | | 41,435,000.00 | |
| Closing Balance (Dr.) | | 41,435,000.00 | |
| <u>Pasupati Olefin Limited</u> | Long Term Borrowings | | |
| Opening Balance (Cr.) | | - | |
| Less: Amount Repaid | | - | |
| Closing Balance (Cr.) | | - | |
| 14 | Auditor's Remuneration | | |
| | Statutory Audit Fee | | 28,315.00 |
| | Service Tax | | 3,500.00 |
| | Total | | 31,815.00 |
| 15 | Previous years figures have been regrouped and rearranged wherever considered necessary. | | |
| 16 | Figures are rounded off to the nearest rupee. | | |

For M. C. JAIN & CO.
CHARTERED ACCOUNTANTS

(Deepak Jain)
PARTNER
M.No.520451
FRN :304012E
PLACE : NEW DELHI
Date: 29.05.2014

Director
(Din-01347588)

Director
(Din-2660066)

PROXY

PASUPATI FINCAP LTD.

Regd. Office: Vilaage Kapriwas(Dharuhera) Distt. Rewari, Haryana

Head Office: 127-128, Tribhuvan Complex, Ishwar Nagar, New Delhi

Correspondence Office: 1501 Nirmal Tower, 26, Barakhamba Road, New Delhi-110001

Website-www.pasupatifincap.com, Email-ho@pasupatitextiles.com

CIN-L65910HR1996PLC033099

I/We _____ of

In the district of _____

being a member/ members of the above named Company, hereby appoint Mr./ Miss/ Mrs.

_____ of

_____ in the district of

_____ or failing him/her Mr. / Miss/ Mrs.

_____ of

_____ in the district of

_____ as my/ our proxy to vote for me/ us on my/our behalf at 20th Annual General Meeting of the Company to be held on Friday the 12th September, 2014 at 10.00 AM and at any adjournment thereof.

Signed on this _____ day of _____ 2014.

No. of shares held _____ Ref No./ L.F. No./ Client I.D. No. _____

D.P.I.D. No. _____

Signature(s) _____

Address : _____

Note : The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.

-----TEAR HERE-----

ATTENDENCE SLIP

PASUPATI FINCAP LTD.

Regd. Office: Vilaage Kapriwas (Dharuhera) Distt. Rewari, Haryana

Head Office: 127-128 , Tribhuvan Complex, Ishwar Nagar, New Delhi

Correspondence Office: 1501 Nirmal Tower, 26, Barakhamba Road, New Delhi-110001

Website-www.pasupatifincap.com, Email-ho@pasupatitextiles.com

CIN-L65910HR1996PLC033099

I hereby record my presence at the 20th Annual General Meeting being held on Friday the 12th September, 2014 at 10.00 AM at Village Kapriwas (Dharuhera), Distt. Rewari, Haryana.

Name of the Shareholder _____

(In block letters)

Folio No./ DPID No. and Client I D No. _____

No. of shares held _____

(Signature of the shareholder/ Proxy)